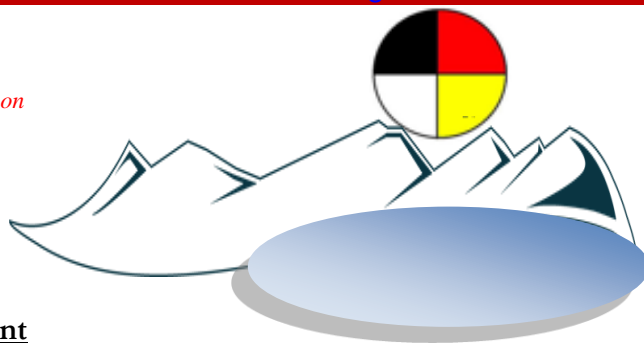


# WAKPAMNI LAKE COMMUNITY

*an independent tribal municipal government of the Oglala Sioux Tribal Nation*

## WAKPAMNI LAKE COMMUNITY CORPORATION

*the wholly-owned economic development arm of the Community*



### Wakpamni Lake Community – Victim Impact Statement

Re: Jason Galanis

*August 9, 2017*

#### IMPACT

It is difficult to fully appreciate the devastation this fraud has caused the Wakpamni Lake Community and tribal nations. The Community is a local tribal municipal government on the Pine Ridge Indian Reservation. We are likely one of the poorest and most traditional communities, on one of the poorest Indian Reservation in the United States. We share this not to ask for your pity, but to understand the depth of destruction this deception has caused.

Tribal governments have no tax base. Our land is non-taxable federal trust land, the state usurps most any sales tax, and with 80% unemployment income tax is not an option. Therefore, we are dependent on either federal monies or income we can create in the open marketplace for our governmental revenue. The lack of tax base for collateral makes capital very scarce.

Unfortunately our tribal nations have a long painful history with snake-oil salesmen. But here we were presented with a company, Burnham Securities, with over fifty years of experience and licensed by the United States government to conduct these business transactions. Even then, our trust and faith proved misplaced.

Despite Mr. Galanis' letter implying familiarity, we had never really heard of him before. We have since learned he was the mastermind behind this great deception, and utilized the retirement funds to pay for his lawyers for another fraud. He took advantage of some of the most vulnerable, the elders/retirees and our tribal people, and he should not be granted leniency. We request that any sentence he receive not be combined with his other sentences.

We are devastated for the retirees' loss and for the damage to our community, but are grateful that we figured out this fraud before they took advantage of any others.

- 1) **Reputational Damage** – It is already nearly impossible to explain to business partners what a tribal municipality and corporation is, and to have your name tainted by such a terrible person's fraud only makes it that much more difficult.
- 2) **Damage to Indian Country** – We shared how difficult it is to find capital for economic development in Indian Country. Mr. Galanis' fraud has had a chilling effect on all investments in Indian Country.
- 3) **Litigation Damage** – Despite the Community being a victim of this scheme, we have now been named in civil litigation by overly-aggressive lawyers. We have no resources to even hire attorneys to respond to these suits much less anything else.
- 4) **Loss of Hope** – For impoverished communities hope is often our most powerful asset. Perhaps the most devastating aspect is the damage to our hope. The loss of hope is more devastating than monetary damage.
- 5) **Monetary Damage** – We have four beautiful, half-finished, empty buildings in the middle of the prairie. Buildings that were to be the first economic development in our community. Symbols that now highlight this wound daily.

#### WAKPAMNI LAKE COMMUNITY CORPORATION

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## **RESTITUTION**

Our monetary damage will seem small compared to the significant loss to the retirees, our first priority is to ensure they get their money back. But we are hopeful the damage to our community can be addressed as well. We can do so much with just a little.

We are not listing in our restitution request the millions that were anticipated from the stolen annuity investments. But we are hopeful that we could obtain the \$507,740 needed to finish the four buildings (Community Center, Tutoring and Lakota Language Center, Warehouse, and Retail Building [Bakery, Fitness Center, and Laundromat]) that were halted at various stages of construction. They will be the first economic development in our community.

At the time we all began to understand there might be fraud, we had \$150,000 in the bank. We had already appropriated those funds on completed and ongoing construction work employing local tribal members. However, we signed over our last funds to the trustee, US Bank, to investigate the potential fraud on behalf of the bond holders. We have never been informed as to how the funds were spent. But we still have the \$150,000 in outstanding construction expenditures.

Further it will cost an additional \$357,740 to actually finish the buildings. Therefore we respectfully request, \$507,740 in restitution.

- \$150,000 outstanding construction expenditures
  - \$357,740 to finish the buildings
- =\$507,740 total**

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